MAC BRIEFING

3 June 1959

INDONESIA

- I. Refusal of Constituent Assembly to approve Sukarno's demand for return to 1945 Constitution creates political stalemate.
 - A. Constitution, which Sukarno had requested as part of his concept of "guided democracy," would increase executive authority at expense of political parties and parliament; army also would have gained political power and prestige.
 - B. Immediate cause of rejection was issue trumped up by Moslem parties that 1945 Constitution does not give sufficient guarantees to Islamic religion.
 - 1. They demanded amendment to this effect which Sukarno unwilling to grant.
 - C. Paradexically, Communist party was only one giving wholehearted support.
 - Commiss felt impelled to support Sukarno temporarily on this issue to avoid alienating him.
- II. Initiative now lies with army and President Sukarno.
 - A. Sukarno, who will arrive Tokyo on 6 June on one of last stops on his round-the-world trip, will be briefed there by high government official.
 - B. Army leaders have for some time hinted they would take action to put constitution into effect if necessary; army sources report Army Chief of Staff General Masution has nationwide efficer support for such move.

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- C. Premier Djuanda warned Constituent Assembly 27 May that failure to accept constitution might precipitate "undesirable events" similar to those which "have taken place in neighboring countries"—thinly veiled warning of army coup.
- D. Army chief Masution banned all political activity throughout

 Indonesia as of 3 June. 25X1X4
- 25X1X4 Claims Hasution intends over next few weeks to assume nearly all power by issuing further decrees. There is to be no coup as such.
 - 2. However, Essution may have imposed ban to prevent political agitation during present period of critical decision.
- E. Always possible further attempts at compromise will be attempted by Prime Minister Djuanda and Moslem party leaders.